

STATE OF ALABAMA
DEPARTMENT OF INDUSTRIAL RELATIONS
UNEMPLOYMENT COMPENSATION AGENCY
MONTGOMERY, ALABAMA 36131
REPORT TO DETERMINE LIABILITY

RETURN ONE COPY
KEEP ONE COPY FOR YOUR RECORDS

(EMPLOYER NAME AND ADDRESS)

(17) EMPLOYER TELEPHONE NO. _____

If preprinted name or address is incorrect, line out incorrect item in the name and address block and insert correct information. If the name and address block is blank, please complete. (Please type or print.)

(3) FEDERAL IDENTIFICATION NO.....
(This Number is assigned by the Internal Revenue Service)

A separate Form SR2, Report to Determine Liability, must be filed for each type of employment. This Form SR2 contains NON-FARM ☐ AGRICULTURAL ☐ DOMESTIC ☐ GOVERNMENTAL (STATE ☐ LOCAL ☐) employment only.

Do you have more than one type of employment? YES ☐ NO ☐

Do you have an Alabama Unemployment Compensation Account? YES ☐ NO ☐

If YES, give account number _____

1. Do you have employees located in another state? YES ☐ NO ☐ If "Yes" in what state(s)? _____

2. Is your firm subject to the provisions of the FEDERAL UNEMPLOYMENT TAX ACT? YES ☐ NO ☐

What year did you first incur liability? _____ Have you remained liable since that date? YES ☐ NO ☐

3. Date ALABAMA employment began _____ Started New Business ☐ Or Acquired Going Business ☐ Domestic ☐

4. If you acquired ALL or A PART of a going business, give us the NAME and TRADE TITLE of your predecessor employer _____

5. If your predecessor was liable for Unemployment Tax, give the Alabama Account Number under which reports were made _____
Date acquired from predecessor _____

6. Did your predecessor discontinue business? YES ☐ NO ☐ Date _____

7. List below TOTAL ALABAMA WAGES paid to all employees during each calendar quarter of each year following date in item no. 3. (For the type of employment covered on this form).
Include remuneration paid to officers of corporations. Domestic employment information is necessary in item 7 but not in item 8.

JAN.-FEB.-MAR. APR.-MAY-JUNE JULY-AUG.-SEPT. OCT.-NOV.-DEC.
YEAR -
YEAR -

8. List below, by type of employment, the number of individuals in your employ within each week. A month having five Saturdays is considered as having five weeks of employment.
Include all part-time employees and officers being remunerated by corporations. DO NOT INCLUDE DOMESTIC EMPLOYEES. DO NOT COMBINE NON-FARM AND AGRICULTURAL EMPLOYEES. A separate Form SR2 must be filed for each type of employment.

CURRENT YEAR _____	Week	JAN.	FEB.	MAR.	APR.	MAY	JUN.	JUL.	AUG.	SEP.	OCT.	NOV.	DEC.
	1 ST												
INSERT YEAR FOR WHICH YOU ARE REPORTING.	2 ND												
	3 RD												
	4 TH												
	5 TH												
PRECEDING YEAR _____ (IF IN BUSINESS)	Week	JAN.	FEB.	MAR.	APR.	MAY	JUN.	JUL.	AUG.	SEP.	OCT.	NOV.	DEC.
	1 ST												
INSERT YEAR FOR WHICH YOU ARE REPORTING.	2 ND												
	3 RD												
	4 TH												
	5 TH												

9. Your industry code is an important part of your Alabama Employer Account Number. PLEASE BE SPECIFIC in completing the columns below, listing each LOCATION AND TYPE OF OPERATION OR ACTIVITY SEPARATELY. See examples of activity on enclosed instructions sheet.

Column 1	Column 2	Column 3	Column 4	Column 5
Name and location – Each unit in Alabama. Enter "Statewide" if no permanent location	County in Alabama	Average number of employees per unit	Indicate specific type of activity engaged in such as mining, manufacturing, wholesale trade, retail trade, road or building construction, plumbing, roofing, etc.	Enter principal product manufactured, service rendered, or commodity sold and percent of total sales or receipts for each location.
				%
				%
				%
				%

COMPANY STATUS: Is the above worksite primarily engaged in performing support activities or services for other worksites of the company?

☐ YES If yes, please indicate the type of support you provide

☐ NO ☐ Administrative (headquarters, Data processing center, etc.) ☐ Research, development, Or Testing ☐ Storage or Warehouse ☐ Other (Specify) _____

To whom are most of your products or services sold?

☐ General Public ☐ Construction Contractors ☐ Retailers ☐ Wholesalers

☐ Others (Specify) _____

10. Check ☒ Form of organization: INDIVIDUAL ☐ ; PARTNERSHIP ☐ ; CORPORATION ☐ ; ASSOCIATION ☐ ; ESTATE or TRUST ☐ ; NON-PROFIT ORGANIZATION ☐ ; OTHER ☐ - Specify _____

11. *If non-profit organization, please submit a letter of exemption from IRS.

12. For positive identification, list below the full name(s), social security number and title of individual owner, partners or officers.

1. NAME	2. SOCIAL SECURITY NUMBER	3. TITLE

13. If not otherwise subject, do you desire to voluntarily elect to become an employer covered by the Alabama Unemployment Compensation Law to the same extent as employers who are subject? ☐ YES ☐ NO

14. If your street and city address is different from the address shown in the address block on the other side, please complete the following:

Name _____

Street (Physical location of firm) _____ City _____

County _____ State _____ Zip Code _____

15. Business Telephone Number _____ Resident Telephone Number _____

IMPORTANT NOTICE

Under Alabama law you are required to furnish the information requested on this form. Each false statement or refusal to furnish this report, or willful refusal to make contributions or other payments is punishable by fine or imprisonment, or both, and each day of such refusal shall constitute a separate offense.

Business Name: _____

By: _____ Date _____

FORM INQUIRIES:

Item No. 9: 334-242-8870

Status Unit 334-242-8830

This form prepared by:

Name _____ Title _____

() _____
Area Code/Telephone Number

**SOME PERTINENT COVERAGE PROVISIONS
FOR EMPLOYERS UNDER
THE ALABAMA UNEMPLOYMENT COMPENSATION LAW**

A. ESTABLISHING LIABILITY:

1. Extent and Duration - The Alabama Unemployment Compensation Law provides that, except for certain non-profit organizations and governmental entities, an employer becomes subject thereto and liable for taxes thereunder when any one of the following conditions are met:
 - (a) Non-Farm Business Employers.
 - (1) When the employer has had in employment one or more workers on some day in 20 or more different weeks, whether or not consecutive, during the current or preceding calendar year, or
 - (2) Has paid wages of \$1500 or more in any calendar quarter during the current or preceding calendar year.
 - (b) Household Domestic Employers.

Domestic employers become subject when the employer pays domestic workers in a private household, college club, fraternity or sorority house a total of \$1000 or more in cash wages in any calendar quarter during the current or preceding calendar year.
 - (c) Agricultural Employers.

Agricultural employers become subject when the employer has:

 - (1) had in employment 10 or more agricultural workers on the same day in 20 or more different week (whether or not consecutive), during the current or preceding calendar year or
 - (2) has paid a total of \$20,000 in cash wages to agricultural workers during any calendar quarter of the current or preceding calendar year.

Non-Farm business, domestic, or agricultural employment should not be combined. The liability for each of the three types of employment must be determined separately.

The individual owner of a business is not an employee, nor the parents, spouse, or children of the owner under the age of 21.

Partners in a partnership are not employees of the partnership

2. Employers Liable Under the Federal Unemployment Tax Act -- Any employer subject for the current or preceding calendar year to the excise tax on payrolls imposed under Section 3306 of the Federal Internal Revenue Code (Federal Unemployment Tax Act) is subject to the Alabama Act regardless of the number of employees it has in Alabama. Liability in this instance is from the date Alabama operations commence.
3. Successor-in-Interest. An employer becomes subject by:
 - (a) Acquiring the trade or business, organization, or substantially all the assets thereof, of another employer which at the time of such acquisition was an employer subject to the Alabama Act.
 - (b) Acquiring a segregable part of the organization, trade or business of another employer which was at the time of acquisition an employer subject to this Act; provided, such segregable part would itself have been an employing unit subject to this Act had it represented the entire business of the predecessor.
 - (c) Acquiring the organization, trade or business, or substantially all the assets of another employer not at the time of acquisition an employer subject to this Law, if the employment prior to the date of acquisition combined with the employment subsequent to the date of acquisition, both within the same calendar year is sufficient to render an employer subject as out-lined above.

B. EMPLOYER TAX RATE:

1. New employers determined liable for years beginning on or after January 1, 1976, are taxed at a rate of 2.7% of taxable wages. Such employers become eligible for experience rating effective January 1 following that fiscal year (ending June 30) throughout which its account has been chargeable with benefit wages.
2. An employer determined subject as a successor -in -interest (Paragraph A-3 above) succeeds to the employment experience and tax rate of the predecessor employer. An employer who succeeds to a segregable portion of a business acquires that portion of the employment experience and tax rate identified with the acquired portion (Paragraph A-3(b)) only if:
 - (1) he makes written application for such transfer of employment experience within ninety calendar days from the date of the acquisition of the said portion and
 - (2) furnishes to the Director a transcript of such total and taxable payrolls which correspond to the acquired segregable portion within one hundred twenty calendar days from the date of acquisition. The responsibility for filing such transcripts rests with the employer.

3. Merger. In the event two or more subject employers are merged, with one being the surviving entity, the tax rate of the survivor will prevail throughout the balance of the tax rate year during which such merger occurred (January 1 through December 31 of the same year). Effective for the following tax rate year, the employment experience of the merging entities will be combined for tax rate purposes.

If neither of the original entities survive and an entirely new entity emerges, then the experience of all merging employers is immediately combined for rate purposes.

C. EMPLOYEE TAX RATE:

Repealed 1-1-86.

D. TAXABLE LIMITATION ON EARNINGS:

1. For Years, January 1, 1978, through 1982, the taxable wage limitation is six thousand six hundred dollars (\$6,600.00). Beginning 1983, taxable wages are eight thousand dollars (\$8,000.00).
2. Wages paid to an employee by a predecessor-in-interest or wages paid in another state to an employee who has been transferred to Alabama by the same employer, or its predecessor, all within the same calendar year, may be taken into account in arriving at the taxable limitation.
3. Wages in excess of the taxable limitation must be reported but are not taxable.

NOTE: The employer tax, if timely paid, is allowed as a full credit (such credit being computed at five and four tenths per cent (5.4%) regardless of the prevailing experience rate) against the excise tax on payrolls imposed under the Federal Unemployment Tax Act.

E. REPORTING REQUIREMENTS:

Reports, accompanied by remittances, are due for each calendar quarter ending March 31, June 30, September 30, and December 31, and become delinquent at the close of business on the last day of the month immediately following the close of the calendar quarter - April 30, July 31, October 31, and January 31. Wages should be reported in the quarter in which they were paid, not in the quarter in which they were earned. Adjustments in wages paid in a prior quarter must be made in the quarter in which they were paid.

F. PENALTY FOR LATE REPORTS:

A late filing penalty is assessed against the employer for each report that is not timely filed, regardless of whether or not any tax is due for the quarter. For quarters prior to December 31, 1995, the penalty is \$5.00. For quarters beginning with January 1, 1996, the penalty is \$25.00, or 10% of the tax due, whichever is greater.

G. LIABILITY APPEALS:

Any Appeal of Liability must be made in writing within thirty (30) days of the date of Liability Determination Letter. An Appeal, if desired, should be directed to Chief of Tax, Room 435, Industrial Relations Building, Montgomery, Alabama 36131.

Instructions for Completing Item 9 of Form SR-2

- Column 1. Enter the name and city in which each of your operating units is located. In the event that no permanent Alabama location is maintained for an operating unit, enter "Statewide" beside the name of that unit.
- Column 2. Enter the name of the county or counties in Alabama in which each unit operates.
- Column 3. Enter the average number of workers employed by each operating unit. If the unit listed has not begun operations, estimate the number of workers expected to be employed.
- Column 4. Give a detailed explanation of the type of activity in which each operating unit is engaged.
- Column 5. (a) Specify the product manufactured, the materials used and whether they are purchased materials or goods produced in the same establishment; or
- (b) Specify the service rendered and whether operations are on a contract or fee basis; or
- (c) Specify the name(s) and description of the commodity or goods sold.

If there is more than one operating unit, enter the percent of total sales or value of receipts identified with each unit.

The following examples indicate the type of information necessary to complete columns four and five:

AGRICULTURE, FORESTRY, AND FISHING - Aerial crop dusting, veterinary services for livestock, veterinary services for pets and other animal specialties, landscape counseling, cruising timber, catching finfish or catching shrimp.

MINING - Describe your mining activities as fully as possible. For example, liquid petroleum gas from oil and gas fields instead of liquid petroleum gas; quarrying dimension limestone instead of limestone.

BUILDING CONSTRUCTION GENERAL CONTRACTORS - Be specific. For example, list construction of buildings for others on a contract basis. Show type of building such as residential single-family, residential other than single-family, industrial buildings and warehouses. **OPERATIVE BUILDERS** - construction of buildings on own account for sale to others. **SPECIAL TRADE CONTRACTORS** - bricklaying, carpentering, glass installation, painting, plumbing, etc. **GENERAL CONTRACTORS OTHER THAN BUILDING** - highway and street construction, airport construction except buildings, bridges, tunnels, dams, etc.

MANUFACTURING - Describe your products or activities as fully as possible. Wood household furniture, upholstered instead of furniture; insulated cable instead of cable; men's and boys' knit underwear made from purchased materials instead of underwear.

TRANSPORTATION, COMMUNICATIONS, ELECTRIC, GAS, AND SANITARY SERVICES - Be specific. For example, list local bus line operation; highway passenger transportation; deep sea foreign transportation; cablevision service, rental to homes; garbage collecting, destroying, and processing.

WHOLESALEERS - Primarily engaged in selling merchandise to retailers; to industrial, commercial, institutional, farm, professional business users, or to other wholesalers. Be specific. List wholesaling automobiles and other motor vehicles, wholesaling paper and paper products, etc.

RETAILERS - Be specific. List groceries-retail, women's ready-to-wear, household appliances, second hand furniture stores, vending machine sale of products, etc.

FINANCE AND INSURANCE - Banks and trust companies, credit agencies other than banks, insurance carriers. Show type of bank (State, National, Unincorporated, or Mutual Savings) and by membership in Federal Reserve System and whether insured by FDIC. **REAL ESTATE** - Indicate whether owners, lessees, buyers, sellers, agents or developers of real estate.

SERVICES - Includes a wide variety of services for individuals, business establishments. Be specific, list hotel, except residential; towel supply service; research laboratory commercial; general medical and surgical hospital; or children's hospital.

GOVERNMENT - Indicate whether federal, state, or local government. Specify activity: legislative, judicial, administrative, liquor store, mental hospital, secondary school, etc.

